



House Finance Committee

April 14<sup>th</sup> 2021

H 6122 Article 12

Statement by James Nyberg  
Executive Director, LeadingAge RI

On behalf the non-profit members of LeadingAge RI, thank you for this opportunity to express our support for this budget article, which includes measures to support our long-term care providers and residents.

A specific interest relates to language to reform our Medicaid assisted living payment system. This payment system has been fairly complex, which has hindered the growth of Medicaid-funded assisted living. Over the past year, EOHHS has worked with the industry and developed a new approach to promote assisted living as a cost-effective option for individuals on Medicaid who need long-term services and supports. This approach both streamlines the process and increases the daily Medicaid rate, including a new three-tiered payment system to reflect resident acuity. We think that this initiative will better support assisted living residents and providers, and also expand capacity for Medicaid-funded assisted living services by enticing new or existing providers to allocate more units for individuals on Medicaid.

We should also note, that while not specified in the language of this budget article, the SFY 22 budget does include funding for the full nursing home inflation index. This is the first time in years that this has happened, and we are appreciative of this necessary funding. The financial implications of the COVID-19 pandemic have been staggering for nursing homes. This statutory rate increase is necessary to preserve the integrity of our high performing nursing home system and support our workforce, as well as cope with increased costs (e.g. PPE, intensive infection control practices, etc.).

On another related note, the SFY 22 budget also includes funding for the expansion of the Office of Healthy Aging (OHA) @Home Cost Share program, which subsidizes adult day services and home care for low-income individuals just above Medicaid-eligibility. It is a well-established and proven program that helps individuals remain safely in the community and delay or avoid nursing home placement.

The modest expansion that is proposed, which was already approved by CMS under our 1115 Waiver (e.g. the Global Waiver) in 2013, both expands eligibility for the program for individuals with incomes up to 250% of the federal poverty level (up from 200%), and also opens the program up to low-income individuals under age 65 with early-onset dementia, for whom no publicly-funded programs and services currently exist. This proposal will help more of these individuals access these important services and contribute to our collective goal of rebalancing our long-term care system. These two initiatives will have an immediate impact on expanding home and community-based services.

Thank you for your consideration of this issue and we respectfully request your support for this bill.